



General Assembly

January Session, 2005

***Raised Bill No. 6836***

LCO No. 4177

\*04177\_\_\_\_\_FIN\*

Referred to Committee on Finance, Revenue and Bonding

Introduced by:  
(FIN)

***AN ACT CONCERNING REAL PROPERTY REVALUATION POLICIES  
AND PROCEDURES.***

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 12-2b of the general statutes is repealed and the  
2 following is substituted in lieu thereof (*Effective July 1, 2005*):

3 The Secretary of the Office of Policy and Management shall: (1) In  
4 consultation with the Commissioner of Agriculture, develop schedules  
5 of unit prices for property classified under sections 12-107a to 12-107e,  
6 inclusive, update such schedules by October 1, 1990, and every five  
7 years thereafter, and make such data, studies and schedules available  
8 to municipalities and the public; (2) [develop regulations setting forth  
9 standards and tests for: Certifying revaluation companies and their  
10 employees, which regulations shall ensure that a revaluation company  
11 is competent in appraising and valuing property, certifying  
12 revaluation companies and their employees, requiring that a certified  
13 employee supervise all valuations performed by a revaluation  
14 company for municipalities, maintaining lists of certified revaluation  
15 companies and upon request, advising municipalities in drafting  
16 contracts with revaluation companies, and conducting investigations

17 and withdrawing the certification of any revaluation company or  
18 employee found not to be conforming to such regulations. The  
19 regulations shall provide for the imposition of a fee payable to a  
20 testing service designated by the secretary to administer certification  
21 examinations] adopt regulations, in accordance with the provisions of  
22 chapter 54, to certify revaluation appraisers and the revaluation  
23 companies that employ such appraisers by setting standards for  
24 education, experience and ethical conduct to ensure competency and  
25 suitability in estimating the value of property. Said regulations shall:  
26 (A) Contain separate requirements for certification (i) in the valuation  
27 of real property of distinct types, by use of appropriate mass appraisal  
28 methods, (ii) in the valuation of personal property, (iii) at a revaluation  
29 appraisal supervisor level for real property, and (iv) at a revaluation  
30 appraisal supervisor level for personal property; (B) require that a  
31 person certified at the revaluation appraisal supervisor level oversee  
32 the valuation of real personal property; (C) require that a person  
33 certified at the revaluation appraisal supervisor level oversee the  
34 valuation of personal property; (D) provide that each certification is  
35 valid for a five-year period from the date it is issued; (E) provide that  
36 each certification is contingent upon passage of a written examination,  
37 and allow for the imposition of a fee, payable in a manner determined  
38 by the secretary, for a testing service the secretary designates to  
39 administer such certification examination; (F) provide a continuing  
40 education requirement for the renewal of each certification; and (G)  
41 provide for the secretary's revocation, suspension or denial of a  
42 certification or a renewal of a certification for cause, including, but not  
43 limited to, ethical misconduct; and (3) [by himself, or by an agent  
44 whom he may appoint, inquire if all property taxes which are due and  
45 collectible by each town or city not consolidated with a town, are in  
46 fact collected and paid to the treasurer thereof in the manner  
47 prescribed by law, and if accounts and records of the tax collectors and  
48 treasurers of such entities are adequate and properly kept] maintain  
49 lists of certified revaluation appraisers and certified revaluation  
50 companies and make such lists available to the public. The secretary

51 may hold meetings, conferences or schools for assessors, tax collectors  
52 or municipal finance officers.

53 Sec. 2. Section 12-55 of the general statutes is repealed and the  
54 following is substituted in lieu thereof (*Effective July 1, 2005*):

55 (a) On or before the thirty-first day of January of each year, except  
56 as otherwise specifically provided by law, the assessors or board of  
57 assessors shall publish the grand list for their respective towns. Each  
58 such grand list shall contain the assessed values of all property in the  
59 town, reflecting the statutory exemption or exemptions to which each  
60 property or property owner is entitled, and including, where  
61 applicable, any assessment penalty added in accordance with section  
62 12-41, [or] 12-57a or 12-63c for the assessment year commencing on the  
63 October first immediately preceding. The assessor or board of  
64 assessors shall lodge the grand list for public inspection, in the office of  
65 the assessor on or before said thirty-first day of January, or on or  
66 before the day otherwise specifically provided by law for the  
67 completion of such grand list. The town's assessor or board of  
68 assessors shall take and subscribe to the oath, pursuant to section 1-25,  
69 which shall be certified by the officer administering the same and  
70 endorsed upon or attached to such grand list. For the grand list of  
71 October 1, 2000, and each grand list thereafter, each assessor or  
72 member of a board of assessors who signs the grand list shall be  
73 certified in accordance with the provisions of section 12-40a.

74 (b) Prior to taking and subscribing to the oath upon the grand list,  
75 the assessor or board of assessors shall equalize the assessments of  
76 property in the town, if necessary, and make any assessment omitted  
77 by mistake or required by law. The assessor or board of assessors may  
78 increase or decrease the valuation of any property as reflected in the  
79 last-preceding grand list, or the valuation as stated in any personal  
80 property declaration or report received pursuant to this chapter. In  
81 each case of any increase in valuation of a property above the  
82 valuation of such property in the last-preceding grand list, or the

83 valuation, if any, stated by the person filing such declaration or report,  
 84 the assessor or board of assessors shall mail a written notice of  
 85 assessment increase to the last-known address of the owner of the  
 86 property the valuation of which has increased. All such notices shall be  
 87 subject to the provisions of subsection (c) of this section.  
 88 Notwithstanding the provisions of this section, a notice of increase  
 89 shall not be required in any year with respect to a registered motor  
 90 vehicle the valuation of which has increased. In the year of a  
 91 revaluation, the notice of increase sent in accordance with subsection  
 92 [(f)] (e) of section 12-62, as amended by this act, shall be in lieu of the  
 93 notice required by this section.

94 (c) Each notice of assessment increase sent pursuant to this section  
 95 shall include: (1) The valuation prior to and after such increase; and (2)  
 96 information describing the manner in which an appeal may be filed  
 97 with the board of assessment appeals. If a notice of assessment increase  
 98 affects the value of personal property and the assessor or board of  
 99 assessors used a methodology to determine such value that differs  
 100 from the methodology previously used, such notice shall include a  
 101 statement concerning such change in methodology, which shall  
 102 indicate the current methodology and the one that the assessor or  
 103 assessors used for the valuation prior to such increase. Each such  
 104 notice shall be mailed not earlier than the assessment date and not  
 105 later than the tenth calendar day immediately following the date on  
 106 which the assessor or board of assessors signs and attests to the grand  
 107 list. If any such assessment increase notice is sent later than the time  
 108 period prescribed in this subsection, such increase shall become  
 109 effective on the next succeeding grand list.

110 Sec. 3. Section 12-62 of the general statutes is repealed and the  
 111 following is substituted in lieu thereof (*Effective from passage, and*  
 112 *applicable to assessment years commencing on or after October 1, 2003*):

113 [(a) (1) Commencing October 1, 1997, the assessor or board of  
 114 assessors of each town shall revalue all of the real estate in their

115 respective municipalities for assessment purposes in accordance with  
116 the provisions of subsection (b) of this section. The assessments  
117 derived from each such revaluation shall be used for the purpose of  
118 levying property taxes in such municipality in the assessment year in  
119 which such revaluation becomes effective and in each assessment year  
120 thereafter until the next succeeding revaluation in accordance with the  
121 provisions of subsection (b) of this section. In the performance of these  
122 duties, except in any municipality where there is a single assessor, at  
123 least two of the assessors shall act together and all valuations shall be  
124 separately approved by a majority of the assessors.

125 (2) The assessor or board of assessors of each town shall view by  
126 physical inspection all of the real estate in their respective  
127 municipalities for assessment purposes within the period of time  
128 provided in subdivision (3) of this subsection.

129 (3) An assessor shall have fulfilled the requirement to view by  
130 physical inspection if a physical inspection of a property has been  
131 made at any time from June 27, 1997, to October 1, 2009, inclusive, and  
132 thereafter, the assessor or board of assessors shall view by physical  
133 inspection each parcel of real estate no later than ten years following  
134 the preceding inspection.

135 (b) The assessor or board of assessors of each town shall revalue all  
136 of the real estate in their respective municipalities not later than five  
137 years after the last revaluation conducted in each municipality, except  
138 as provided in section 12-62l. In carrying out the provisions of this  
139 subsection, any municipality which last effected revaluation by  
140 statistical means shall effect its next revaluation by physical inspection  
141 provided in no case shall a physical inspection be required more than  
142 once every ten years. In carrying out the provisions of this subsection,  
143 any municipality which last effected revaluation by physical inspection  
144 may effect its next revaluation by statistical means.

145 (c) During the conduct of any revaluation in accordance with this  
146 section in any municipality and during a period of not less than twelve

147 months immediately following the date on which such revaluation  
148 becomes effective, any criteria, guidelines, price schedules or statement  
149 of procedures used in such revaluation by the assessors or any  
150 revaluation company shall be available for public inspection in the  
151 assessor's office in such municipality in the manner provided for  
152 public records in subsection (a) of section 1-210. Any such criteria,  
153 guidelines, price schedules or statement of procedures shall continue  
154 to be available for public inspection until the next revaluation of real  
155 property becomes effective. The provisions of this subsection shall be  
156 applicable to any such criteria, guidelines, price schedules or statement  
157 of procedures placed on file in such assessor's office on or after  
158 October 1, 1996.

159 (d) (1) Written notice of the implementation of a revaluation shall be  
160 filed by the chief executive officer of the municipality with the  
161 Secretary of the Office of Policy and Management. Such notice shall be  
162 filed not later than five business days following the date on which final  
163 action with respect to the establishment of a mill rate for the revalued  
164 grand list is taken. Any municipality which fails to comply with the  
165 provisions of this section shall forfeit ten per cent of the total amount  
166 of state grants-in-aid determined by statutory formula, as of the date  
167 certification of payment is required to be made to such municipality,  
168 for the fiscal year next following the October first assessment date on  
169 which the required revaluation was not implemented. Such forfeit  
170 shall be based upon the state grants-in-aid which are included in the  
171 estimate prepared by the Secretary of the Office of Policy and  
172 Management pursuant to section 4-71b. For each succeeding  
173 assessment year in which the provisions of this section are not met,  
174 such municipality shall forfeit ten per cent of such state grants-in-aid.  
175 If the secretary determines that such a forfeit is required, he shall cause  
176 the certification made to the State Comptroller for each such grant-in-  
177 aid to the municipality, to reflect the amount of reduction in such  
178 grant-in-aid.

179 (2) The secretary may waive such forfeit if, in his opinion, there

180 appears to be reasonable cause for the municipality not having  
181 implemented a revaluation as required, provided the chief executive  
182 officer of the municipality submits a written request for such waiver.  
183 Such request shall include the reason for the failure of the municipality  
184 to comply with the provisions of this section. The secretary shall  
185 promptly consider such request and shall, within fifteen business days,  
186 notify the municipality of his decision to grant or deny a waiver of the  
187 forfeit. Reasonable cause shall include, (A) a postponement of a  
188 revaluation in any town or city, provided such postponement is  
189 allowed by the secretary in accordance with the provisions of section  
190 12-117, or is ordered by the superior court for the judicial district in  
191 which the municipality is located, (B) a postponement of a revaluation  
192 in any town or city as the result of the existence of extraordinary  
193 circumstances or an act of God, (C) failure on the part of any person or  
194 organization performing such revaluation under contract to complete  
195 contractual duties to the satisfaction of the municipality, (D) the death  
196 or serious illness of the assessor during the conduct of a revaluation,  
197 which results in a delay of its implementation, or (E) an agreement  
198 entered into pursuant to subdivision (3) of this subsection. No more  
199 than one waiver shall be granted pursuant to subparagraph (E) of this  
200 subdivision.

201 (3) If a municipality is unable to implement a revaluation in the  
202 assessment year as required by this section for any reason other than  
203 for reasonable cause as described in subparagraphs (A) to (D),  
204 inclusive, of subdivision (2) of this subsection, the chief executive  
205 officer of the municipality may submit a written request to the  
206 Secretary of the Office of Policy and Management to enter into an  
207 agreement with the Office of Policy and Management with respect to  
208 the implementation of such revaluation. The municipality may request  
209 such agreement no earlier than six months prior to and no later than  
210 the October first assessment date which the required revaluation  
211 would have affected. The secretary may enter into no more than one  
212 agreement with any municipality and only if such municipality has  
213 shown good faith efforts toward implementing such revaluation. Such

214 agreement shall establish conditions to be met by the municipality in  
215 order to qualify for a waiver of the penalty imposed under subdivision  
216 (1) of this subsection. Such conditions shall include, but not be limited  
217 to, (A) dates upon which specific aspects of the revaluation shall be  
218 completed, (B) an agreement by the municipality to implement,  
219 maintain or update a computer system for the purpose of conducting  
220 future revaluations, (C) an agreement that the municipality will not  
221 seek an authorization from the Office of Policy and Management to  
222 assess all real estate according to the list in effect immediately prior to  
223 the list to which such revaluation applies pursuant to subsection (b) of  
224 section 12-117, (D) a date specific by which a contract must be entered  
225 into for conducting the next statutorily required revaluation, and (E)  
226 quarterly updates to the secretary on the progress of the revaluation.  
227 The dates of such conditions may extend beyond the date of the  
228 implementation of the revaluation for which the agreement is  
229 requested. Notwithstanding a waiver issued under subdivision (2) of  
230 this subsection, the secretary may, upon a review of the totality of the  
231 circumstances, cause the municipality to forfeit a percentage of the  
232 total amount of state grants-in-aid determined by statutory formula  
233 which are included in the estimate prepared by the Secretary of the  
234 Office of Policy and Management pursuant to section 4-71b. If one  
235 condition of the agreement is not met by a municipality, the amount  
236 forfeited shall be one per cent of the total amount of such state grants-  
237 in-aid as of the date the condition was not met. If more than one  
238 condition of the agreement is not met by a municipality, the amount  
239 forfeited may be up to ten per cent of the such state grants-in-aid as  
240 determined by the secretary.

241 (e) Any assessor required to view by physical observation or to  
242 revalue all real estate in a municipality by the provisions of this section  
243 may designate a revaluation company certified in accordance with  
244 section 12-2b to view and evaluate or to evaluate, pursuant to a  
245 methodology approved by such assessor, all or any portion of such  
246 real estate, provided nothing in this subsection shall relieve any  
247 assessor of any other requirement relating to such revaluation imposed



248 by any provisions of the general statutes, any public or special act or  
249 any municipal charter.

250 (f) The assessor or board of assessors shall send written notice by  
251 mail of each revaluation conducted pursuant to this section to each  
252 person whose property was revalued. Such notice shall include  
253 information describing the property owner's rights to appeal the  
254 valuation of his property, including the manner in which an appeal  
255 may be filed with the board of assessment appeals. The written notice  
256 shall be mailed no earlier than the assessment date and no later than  
257 the tenth calendar day immediately following the date on which the  
258 grand list abstract is signed and attested to by the assessor or board of  
259 assessors. The assessor or board of assessors may require the  
260 revaluation company to send such written notice on behalf of the  
261 assessor or board of assessors.

262 (g) Notwithstanding the provisions of subparagraph (B) of  
263 subdivision (1) of subsection (a) of this section any town which has  
264 entered into an agreement to conduct a physical revaluation for a  
265 contiguous town and which levies real property taxes on the basis of a  
266 revaluation that was implemented for the assessment year  
267 commencing October 1, 1987, shall for the assessment year  
268 commencing October 1, 1999, revalue all such real property by  
269 physical observation.

270 (h) (1) Nothing in this section shall be construed as prohibiting a  
271 town from electing to effect a revaluation of real estate earlier than the  
272 year of next revaluation, as designated in subsection (b) of this section.

273 (2) On and after October 1, 2002, a town electing to effect its next  
274 revaluation earlier than required pursuant to subsection (b) of this  
275 section shall effect its next subsequent revaluation on the assessment  
276 date that is four years after the date provided in said subsection (b)  
277 which date is applicable to the revaluation which is being effected  
278 earlier.

279 (i) Notwithstanding any municipal charter, home rule ordinance or  
280 special act, no municipality shall be required to revalue the real estate  
281 in such municipality for assessment purposes prior to the year of next  
282 revaluation as designated in subsection (b) of this section.

283 (j) This section shall not require the revaluation of real estate (1)  
284 designated within the 1983 Settlement boundary and taken into trust  
285 by the federal government for the Mashantucket Pequot Tribal Nation  
286 before June 8, 1999, or (2) taken into trust by the federal government  
287 for the Mohegan Tribe of Indians of Connecticut.

288 (k) (1) As used in this subsection: "Coefficient of dispersion",  
289 "commercial property", "market sale", "median ratio", "price related  
290 differential", "property class", "ratio", "residential property" and  
291 "vacant land" have the same meanings as the definitions of those terms  
292 in the regulations adopted under section 12-62i.

293 (2) Notwithstanding the provisions of this section, a town shall be  
294 exempt from performing its next scheduled revaluation if, as of the  
295 date that calculations pursuant to this subsection are performed: (A)  
296 The overall level of assessment for all property classes is within plus or  
297 minus ten per cent of the seventy per cent assessment ratio required  
298 under subsection (b) of section 12-62a, as measured by the overall  
299 median ratio; (B) the level of assessment for each property class for  
300 which there are fifteen or more market sales is within plus or minus  
301 five per cent of the median overall level of assessment for each such  
302 property class; (C) the coefficient of dispersion for each property class  
303 for which there are fifteen or more market sales is equal to or less than  
304 (i) fifteen per cent for all property; (ii) fifteen per cent for residential  
305 property; (iii) twenty per cent for commercial property; and (iv) twenty  
306 per cent for vacant land; and (D) the price related differential for each  
307 property class for which there are fifteen or more market sales is  
308 within 0.98 and 1.03. The provisions of this subsection shall terminate  
309 on October 1, 2007, and shall not apply to any revaluation scheduled to  
310 be implemented on or after said date.

311 (3) In order to claim exemption under this subsection from the  
312 requirement to implement a revaluation pursuant to subsection (b) of  
313 this section, a town shall perform the calculations required by this  
314 subsection not earlier than April second and not later than April tenth  
315 of the calendar year preceding the October first assessment date on  
316 which such revaluation pursuant to subsection (b) of this section is  
317 required to be effective, except that a town scheduled to implement a  
318 revaluation on October 1, 2003, may perform such calculations not  
319 later than thirty days after May 9, 2002. Such calculations shall be  
320 based on market sales that occurred between October first of the  
321 previous calendar year and April first of the calendar year in which  
322 such calculations are performed, provided if the total number of  
323 market sales occurring in said period is less than thirty, the time period  
324 prior to said October first shall be extended in monthly increments  
325 until the number of market sales is equal to or greater than thirty, but  
326 in no event shall such time period be extended for more than twelve  
327 months prior to said October first. The assessor may adjust the sales  
328 price of any property to take into account: (A) The fact that the  
329 property sold is subject to a lease that does not represent market rent,  
330 as defined in section 12-63b; (B) the inclusion of personal property in  
331 the price paid for real property that was sold; or (C) any other factor  
332 the assessor deems appropriate provided there is objective criteria  
333 substantiating any such adjustment and the reason for such adjustment  
334 is documented by the assessor. In the event the time period is extended  
335 under the provisions of this subsection, the assessor may also adjust  
336 the sales price of any property sale occurring in said extended time  
337 period to take into account the effect of a price change in the real estate  
338 market between the date of sale and the date such calculations are  
339 performed. Information concerning such market sales and the  
340 statistical analyses of such sales shall be available for public inspection  
341 for not less than one year from the date a town certifies its exemption  
342 from the requirement to implement its next scheduled revaluation,  
343 provided the Secretary of the Office of Policy and Management does  
344 not rescind such exemption, pursuant to section 12-62k.

345 (4) Any town that meets the criteria set forth in this subsection shall,  
346 not later than five days after the calculations required by this  
347 subsection are performed, certify its exemption from the requirement  
348 to implement its next scheduled revaluation pursuant to subsection (b)  
349 of this section to the Secretary of the Office of Policy and Management.  
350 Such certification shall be signed by the chief executive officer and the  
351 assessor and filed in their respective offices and shall specify the  
352 assessment date to which such exemption applies. The certification  
353 submitted to the secretary shall be accompanied by documentation of  
354 the town's compliance with the criteria delineated in this subsection, in  
355 such form and manner as the secretary may require. Such  
356 documentation shall include, but not be limited to: (A) Information  
357 concerning all sales of real property for each property class that  
358 occurred during the time period encompassed by the town's analyses;  
359 (B) information concerning the market sales used in the analysis for  
360 each property class during such time period; (C) documentation  
361 concerning the reason used by the assessor to adjust the sales price of  
362 each property and the dollar amount of the adjustment; (D)  
363 documentation of the reason for not including a real property sale in  
364 the analysis of any property class; and (E) the results of each of the  
365 applicable calculations described in subdivision (2) of this subsection.  
366 Each town that certifies an exemption from the requirement to  
367 implement a revaluation pursuant to this subsection shall cooperate  
368 with the secretary or the committee established pursuant to section 12-  
369 62k in promptly providing any information the secretary or the  
370 committee may require. A copy of the certification of a town's  
371 exemption from the requirement to implement its next scheduled  
372 revaluation, as submitted to the secretary, shall be provided to the  
373 town clerk of the town, who shall record such certification on the land  
374 records. In the event the secretary rescinds such exemption, the  
375 secretary's notice rescinding the town's revaluation exemption  
376 certification shall be recorded on the land records.]

377 (a) For purposes of this section:

378       (1) "Assessor" includes a board of assessors, the members of which  
379       shall approve all real property valuations derived from a revaluation  
380       by a majority vote;

381       (2) "Field review" means the process by which a person examines  
382       each parcel of real property in the context of its neighborhood setting,  
383       compares the observable attributes of each such parcel to those listed  
384       on its corresponding property record, makes any necessary corrections  
385       based on such observation, and verifies that each real property parcel's  
386       attributes are accounted for in the valuation being developed for a  
387       revaluation;

388       (3) "Fully inspect" or "full inspection" means to measure the exterior  
389       dimensions of a building or structure, or to verify such dimensions,  
390       and to enter and examine the interior of each such building or  
391       structure, upon obtaining permission to do so from an adult occupant,  
392       in order to observe and record or verify the characteristics and  
393       conditions thereof;

394       (4) "Real property" has the same meaning as the real estate  
395       described in section 12-64;

396       (5) "Secretary" means the Secretary of the Office of Policy and  
397       Management, or such secretary's designee; and

398       (6) "Town" means any town, consolidated town and city or  
399       consolidated town and borough.

400       (b) (1) The assessor of each town shall revalue all real property  
401       located in such town for assessment purposes in accordance with the  
402       provisions of this section. Except as otherwise provided by any  
403       provision of the general statutes or any public or special act, or by any  
404       provisions of a municipal charter, assessments derived from each  
405       revaluation shall be used for the purpose of levying property taxes for  
406       the assessment year in which such revaluation is effective and for each  
407       assessment year that follows until the ensuing revaluation becomes

408 effective. An assessor shall use generally accepted mass appraisal  
409 methods for the valuation of real property in conducting each  
410 revaluation and may designate a revaluation company certified in  
411 accordance with section 12-2b, as amended by this act, to perform data  
412 collection and analyses or mass appraisal valuation and field review  
413 functions pursuant to a method the assessor approves. Nothing in this  
414 section shall relieve an assessor of any other requirement related to  
415 revaluation as imposed by any provision of the general statutes or any  
416 public or special act, or by any provisions of a municipal charter that  
417 are not contrary to this section.

418 (2) Unless the provisions of section 12-62l and subdivision (3) of this  
419 subsection are applicable, a revaluation of all real property in a town  
420 shall be effective for the assessment year that is five years after the  
421 assessment year in which a revaluation was previously effective in  
422 such town. Any town may effect a revaluation of real property earlier  
423 than this section requires, provided the town's next revaluation shall  
424 be effective not later than five assessment years after the assessment  
425 year in which the previous revaluation became effective.

426 (3) The legislative body or board of selectmen, as the case may be, of  
427 any town eligible to defer a revaluation pursuant to section 12-62l shall  
428 be required to approve such deferral not later than August 1, 2005. Not  
429 later than September 1, 2005, the chief executive officer of any town in  
430 which such a revaluation deferral is approved shall notify the  
431 secretary, in writing, of the effective date of the town's next revaluation  
432 and such town shall thereafter implement revaluation when required  
433 pursuant to subdivision (2) of this subsection.

434 (c) (1) The assessor may, at any time, fully inspect any parcel of  
435 improved real property in order to ascertain or verify the accuracy of  
436 data as contained in the assessor's record for such property. The  
437 assessor shall maintain a record of the assessment year in which each  
438 such parcel of improved real property is fully inspected.

439 (2) The assessor may, at any time, send a questionnaire to any real

440 property owner in order to obtain verification of the accuracy of the  
441 characteristics of real property as contained in the assessor's record for  
442 such owner's property, or to obtain information regarding the  
443 circumstances attendant to such property's acquisition or purchase. An  
444 assessor who utilizes questionnaires to verify the accuracy of such real  
445 property data shall develop and institute a quality assurance program  
446 with respect to responses received to such questionnaires, and shall  
447 determine if there is a need to fully inspect all real property during the  
448 period set forth in this subsection, based on the results of such quality  
449 assurance program.

450 (3) An assessor who does not utilize questionnaires to verify the  
451 accuracy of real property data, or who utilizes such questionnaires but  
452 is not satisfied with the results of the quality assurance program  
453 instituted with respect to responses received to such questionnaires,  
454 shall fully inspect all real property not later than the tenth assessment  
455 year following the assessment year in which such real property was  
456 last fully inspected, provided, with respect to a revaluation  
457 implemented during the period from on and after October 1, 2003, to  
458 on or before October 1, 2010, an assessor shall have fulfilled such  
459 requirement if a full inspection of such property is made at any time  
460 during the assessment year commencing October 1, 1996, through the  
461 assessment year commencing October 1, 2009, inclusive.

462 (d) Prior to completing each revaluation, the assessor shall conduct  
463 a field review to ensure that real property valuations derived from  
464 such revaluation are appropriate.

465 (e) (1) Not earlier than the assessment date which is the effective  
466 date of a revaluation, and not later than the tenth calendar day  
467 immediately following the date on which the grand list for said  
468 assessment date is signed, the assessor shall mail a written notice of  
469 real property valuation to the last-known address of each owner of real  
470 property. Such notice shall provide information concerning property  
471 valuation appeal provisions, including, but not limited to, the method

472 of requesting a hearing from the board of assessment appeals.

473 (2) Not later than the date written notices of real property  
474 valuations are mailed in accordance with subdivision (1) of this  
475 subsection, and for a period of not less than twelve months  
476 immediately following the date on which each revaluation becomes  
477 effective, the following shall be available for public inspection in the  
478 assessor's office in the manner provided for access to public records in  
479 subsection (a) of section 1-210: (A) Any criteria, guidelines, price  
480 schedules or statement of procedures used in such revaluation, and (B)  
481 a compilation of all real property sales in each neighborhood, the  
482 selling prices of which are determined to be representative of the fair  
483 market values of the properties sold.

484 (f) The chief executive officer of each town shall notify the secretary  
485 of the Office of Policy and Management of the assessment date on  
486 which each revaluation is effective not later than thirty business days  
487 following the date on which the assessor signs and files the grand list  
488 reflecting assessments of real property based on values established for  
489 such revaluation. In the event a town fails to implement a revaluation  
490 effective for the assessment date required by this section for any reason  
491 other than an authorization for postponement provided by the  
492 secretary pursuant to subsection (b) of section 12-117, the chief  
493 executive officer of such town shall notify said secretary of such  
494 failure, in writing, not later than thirty business days following the  
495 date on which the assessor signs and files the grand list that does not  
496 reflect real property assessments based on values established for such  
497 required revaluation. Not later than thirty business days following the  
498 date the town's legislative body votes to utilize the provisions of  
499 section 12-62c, as amended by this act, or the provisions of section 12-  
500 62d, as amended by this act, the chief executive officer shall notify the  
501 secretary, in writing, of the action taken. Any chief executive officer  
502 failing to submit any notification to the secretary as required by this  
503 subsection, shall forfeit one hundred dollars to the state for each such  
504 failure.



505 (g) (1) Except as provided in subsection (e) of this section, any town  
 506 that fails to implement a revaluation for the assessment date required  
 507 by this section, or that implements a revaluation that does not comply  
 508 with the requirements set forth in regulations adopted pursuant to  
 509 subsection (g) of this section, shall be subject to an annual penalty  
 510 equal to a ten per cent loss of certain state grants. Such penalty shall  
 511 apply to those grants determined by statutory formula that are  
 512 included in the estimate the secretary prepares pursuant to section 4-  
 513 71a. Not later than the first day of July of each fiscal year in which the  
 514 secretary imposes such penalty, the secretary shall notify the  
 515 commissioner of each agency that certifies payment of any such grant  
 516 of the requirement to reduce the affected town's grant by ten per cent  
 517 for such year, and such reduction shall be reflected in the certification  
 518 made to the State Comptroller for the payment of each such grant for  
 519 such year. In the event that such commissioner certifies any such grant  
 520 prior to receiving the secretary's notice, such commissioner shall  
 521 reduce any remaining installment of such grant to reflect such penalty.  
 522 If there are no remaining installments of any such grant that the  
 523 commissioner certifies, any grant the secretary certifies for payment  
 524 may be reduced by the necessary amount, even if said grant is not  
 525 included in the estimate prepared pursuant to section 4-71a. Such  
 526 penalty shall not be applicable with respect to a revaluation that is  
 527 postponed as a result of the secretary's authorization pursuant to  
 528 subsection (b) of section 12-117.

529 (2) If, in the secretary's opinion, there appears to be reasonable cause  
 530 for a town's failure to implement a revaluation pursuant to the  
 531 requirements of this section, the secretary may waive the penalty  
 532 imposed by subdivision (1) of this subsection. Reasonable cause shall  
 533 include a postponement of a revaluation in any town due to (A) an  
 534 extraordinary circumstance or an act of God, (B) the failure on the part  
 535 of any revaluation company to complete contractual duties to the  
 536 satisfaction of the assessor and the chief executive officer of the town,  
 537 (C) the assessor's death or incapacitation during the conduct of a  
 538 revaluation, which results in a delay of its implementation, or (D) an

539 order by the superior court for the judicial district in which the town is  
 540 located regarding such revaluation, or the potential for such an order,  
 541 following said court's decision with respect to the proceeding brought  
 542 before it. The chief executive officer of the town shall submit a written  
 543 request for such penalty waiver not later than thirty days following the  
 544 date of the commencement of the fiscal year in which such penalty is  
 545 applicable. Such request shall include the reason for the town's failure  
 546 to comply with the provisions of this section. Not later than thirty  
 547 business days after receiving such request, the secretary shall notify  
 548 the chief executive officer of the secretary's decision to grant or deny  
 549 the penalty waiver, provided the secretary may delay a decision  
 550 regarding a waiver related to a potential order of a court of jurisdiction  
 551 until said court renders its decision. Any town aggrieved by the  
 552 secretary's decision concerning such penalty waiver may, not later  
 553 than ten business days after receiving the secretary's notice of decision  
 554 concerning such waiver, appeal the secretary's determination to the  
 555 superior court for the judicial district in which such town is located  
 556 and such court shall expedite such appeal. The secretary shall not  
 557 grant a town a penalty waiver under the provisions of this subsection  
 558 with respect to consecutive years unless the General Assembly  
 559 approves such action.

560 (h) The secretary shall adopt regulations, in accordance with the  
 561 provisions of chapter 54, to (1) establish at least two performance-  
 562 based revaluation testing standards, (2) require assessors to comply  
 563 with one of such standards in conducting each revaluation, and (3)  
 564 require any certificate of regulatory compliance to be jointly signed by  
 565 the assessor and a person certified as a revaluation appraisal  
 566 supervisor, pursuant to section 12-2b, as amended by this act, who is  
 567 employed by any revaluation company the assessor designates to  
 568 establish real property valuations or to review such valuations  
 569 pursuant to the provisions of a contract.

570 Sec. 4. Section 12-62c of the general statutes is repealed and the  
 571 following is substituted in lieu thereof (*Effective July 1, 2005, and*

572 *applicable to assessment years commencing on or after October 1, 2005):*

573       [(a) Any municipality may, with respect to the assessment list in  
574 such municipality in a year in which a revaluation becomes effective,  
575 as required under section 12-62, for the assessment years commencing  
576 on or after October 1, 1987, by vote of its legislative body provide for a  
577 gradual increase in assessed values of real property for purposes of  
578 property tax, commencing with the year in which such revaluation  
579 becomes effective and continuing for a certain number of years as  
580 elected by such municipality, not exceeding three years immediately  
581 following the year of such revaluation. Such gradual increase in  
582 assessed values shall be the result of incremental increases in the rate  
583 of assessment of real property, to be added as provided in subsection  
584 (b) of this section to the assessment ratio determined under section 10-  
585 261a for the year immediately preceding revaluation in such  
586 municipality.

587       (b) Upon electing to increase assessed values in the manner allowed  
588 in this section, there shall be determined, with respect to said  
589 assessment ratio for the year immediately preceding such revaluation,  
590 the difference between the assessment rate at seventy per cent of  
591 present true and actual value, as required under subsection (b) of  
592 section 12-62a, and said ratio of assessed value of real property to fair  
593 market value in the year immediately preceding revaluation for such  
594 municipality. Such difference shall represent the portion of the  
595 assessment rate at seventy per cent to be added to said ratio for such  
596 municipality in attaining the required assessment rate of seventy per  
597 cent of present true and actual value. Such amount shall be added to  
598 said ratio in equal increments, as determined in accordance with this  
599 subsection, over the number of years elected by such municipality,  
600 provided the total number of years for such purpose may not exceed  
601 four years including the year of such revaluation. For the purposes of  
602 this subsection, increments shall be considered equal if such  
603 increments are equal (1) in terms of the absolute amount of the  
604 increase in the assessment ratio for each of the years of such gradual

605 increase in assessed value or (2) in terms of the percentage of increase  
606 in the assessment ratio from year to year which is applicable to such  
607 gradual increase in assessed value, for each year of the term of such  
608 gradual increase in assessed value.

609 (c) In a municipality which has adopted the assessment procedure  
610 allowed in this section, new construction which is first assessed for  
611 purposes of property tax, after the assessment date on which such  
612 revaluation becomes effective but before the assessment rate has been  
613 increased to seventy per cent of present true and actual value, shall be  
614 assessed initially at the rate applicable in the procedure as adopted by  
615 such municipality at the time of such initial assessment, and thereafter  
616 at the rate of assessment applicable with respect to all real property on  
617 the assessment list in such municipality.]

618 (a) (1) A municipality implementing a revaluation of all real  
619 property pursuant to section 12-62, as amended by this act, may  
620 provide for a phase-in of real property assessment increases resulting  
621 from such revaluation in accordance with one of the methods set forth  
622 in subsection (b) of this section. The legislative body of the  
623 municipality shall approve the decision to provide for a phase-in, the  
624 number of assessment years for which such phase-in is effective and  
625 the method of such phase-in of real property assessment increases. If  
626 the legislative body is a town meeting, the board of selectmen shall  
627 approve such decision and term. In any municipality that provides for  
628 a phase-in, the assessor shall gradually increase the assessed values of  
629 real property effective in the assessment year preceding that in which  
630 the revaluation is implemented, in accordance with one of the methods  
631 set forth in subsection (b) of this section. In no event shall the term of a  
632 phase-in extend beyond the implementation date of the town's next  
633 revaluation. Following the conclusion of such term, the assessment of  
634 real property shall reflect the rate of assessment that would have been  
635 applicable in the year said revaluation was implemented, except for  
636 such phase-in.

637       (2) The legislative body or board of selectmen, as the case may be,  
638 may approve the discontinuance of a phase-in of real property  
639 assessment increases resulting from the implementation of a  
640 revaluation, at any time prior to the completion of the phase-in term  
641 originally approved, provided such approval shall be made on or  
642 before the assessment date that is the commencement of the  
643 assessment year in which the discontinuance of such phase-in is  
644 effective.

645       (b) A municipality shall use one of the following methods to  
646 determine the phase-in of real property assessment increases resulting  
647 from the implementation of a revaluation: (1) The assessment of each  
648 parcel of real property for the assessment year preceding that in which  
649 such revaluation is effective shall be subtracted from the assessment of  
650 each such real property parcel derived from such revaluation, and the  
651 annual amount of incremental assessment increase for each such real  
652 property parcel shall be the total of such subtraction divided by the  
653 number of years of the phase-in term; or (2) the assessment ratio for all  
654 real property for the assessment year preceding that in which a  
655 revaluation is effective, shall be subtracted from the seventy per cent  
656 assessment ratio applicable in the year of such revaluation, and the  
657 annual incremental rate of assessment increase applicable to all parcels  
658 of real property shall be the result of such subtraction divided by the  
659 number of years of the phase-in term.

660       (c) The assessment of any new construction that first becomes  
661 subject to taxation during an assessment year encompassed within the  
662 term of a phase-in adopted pursuant to this section, shall be  
663 determined in the same manner as the assessment of all other  
664 comparable real property in that assessment year, such that the total of  
665 incremental increases applicable to such other comparable real  
666 property are reflected in the assessment of such new construction prior  
667 to its proration pursuant to section 12-53a.

668       Sec. 5. Section 12-63b of the general statutes is repealed and the

669 following is substituted in lieu thereof (*Effective July 1, 2005*):

670 (a) The assessor or board of assessors in any town, when  
 671 determining the present true and actual value of real property as  
 672 provided in section 12-63, which property is used primarily for the  
 673 purpose of producing rental income, exclusive of such property used  
 674 solely for residential purposes, containing not more than six dwelling  
 675 units and in which the owner resides, and with respect to which  
 676 property there is insufficient data [in such town] based on current  
 677 bona fide sales of comparable property which may be considered in  
 678 determining such value, shall determine such value on the basis of [an  
 679 appraisal] a mass appraisal method which shall include to the extent  
 680 applicable with respect to such property, consideration of each of the  
 681 following methods: [of appraisal:] (1) Replacement cost less  
 682 depreciation, plus the market value of the land, (2) the gross income  
 683 multiplier method as used for similar property, and (3) capitalization  
 684 of net income based on market rent for similar property. The  
 685 provisions of this section shall not be applicable with respect to any  
 686 housing assisted by the federal or state government except any such  
 687 housing for which the federal assistance directly related to rent for  
 688 each unit in such housing is no less than the difference between the fair  
 689 market rent for each such unit in the applicable area and the amount of  
 690 rent payable by the tenant in each such unit, as determined under the  
 691 federal program providing for such assistance.

692 (b) For purposes of subdivision (3) of subsection (a) of this section  
 693 and, generally, in its use as a factor in any [appraisal] mass appraisal  
 694 methods applicable with respect to real property used primarily for  
 695 the purpose of producing rental income, the term "market rent" means  
 696 the rental income that such property would most probably command  
 697 on the open market as indicated by present rentals being paid for  
 698 comparable space. In determining market rent the assessor shall  
 699 consider the actual rental income applicable with respect to such real  
 700 property under the terms of an existing contract of lease at the time of  
 701 such determination.

702 Sec. 6. Subsection (b) of section 12-117 of the general statutes is  
703 repealed and the following is substituted in lieu thereof (*Effective from*  
704 *passage and applicable to assessment years commencing on and after October*  
705 *1, 2005*):

706 (b) If, in the opinion of the board of assessment appeals and the  
707 chief executive officer, the number of appeals pending before such  
708 board is such as to preclude fair and equitable consideration of such  
709 appeals within the time restriction prescribed in this section, the  
710 Secretary of the Office of Policy and Management may, upon the  
711 request in writing of the board of assessment appeals approved by the  
712 chief executive officer, setting forth such opinion, authorize the  
713 assessors to assess all real estate according to the grand list in effect  
714 immediately prior to the grand list from which such appeals are taken,  
715 subject only to transfers of ownership, additions for new construction  
716 and reductions for demolitions. The grand list from which such  
717 appeals are taken shall then become the grand list for the assessment  
718 day next ensuing, subject only to such adjustments as are authorized  
719 by the board of assessment appeals, unless the town has, in the  
720 intervening time period, completed a revaluation of all real property in  
721 accordance with section 12-62, as amended by this act. The secretary  
722 shall not authorize a postponement pursuant to the provisions of this  
723 subsection for more than one year, and no postponement shall be  
724 allowed in any consecutive years.

725 Sec. 7. Section 7-328 of the general statutes is repealed and the  
726 following is substituted in lieu thereof (*Effective July 1, 2005*):

727 (a) The territorial limits of the district shall constitute a separate  
728 taxing district, and the assessor or assessors of the town shall separate  
729 the property within the district from the other property in the town  
730 and shall annually furnish the clerk of the district with a copy of the  
731 grand list of all property in the district after it has been completed by  
732 the board of assessment appeals of the town. If the legislative body of  
733 the town elects, pursuant to section [12-62a or] 12-62c, as amended by

734 this act, to defer all or any part of the amount of the increase in the  
735 assessed value of real property in the year a revaluation becomes  
736 effective and in any succeeding year in which such deferment is  
737 allowed, the grand list furnished to the clerk of the district for each  
738 such year shall reflect assessments based upon such deferment. When  
739 the district meeting has fixed the tax rate, the clerk shall prepare a rate  
740 bill, apportioning to each owner of property his proportionate share of  
741 the taxes, which rate bill, when prepared, shall be delivered to the  
742 treasurer; and the district and the treasurer thereof shall have the same  
743 powers as towns and collectors of taxes to collect and enforce payment  
744 of such taxes, and such taxes when laid shall be a lien upon the  
745 property in the same manner as town taxes, and such liens may be  
746 continued by certificates recorded in the land record office of the town,  
747 and foreclosed in the same manner as liens for town taxes. The  
748 assessor or board of assessment appeals shall promptly forward to the  
749 clerk of the district any certificate of correction or notice of any other  
750 lawful change to the grand list of the district. The district clerk shall,  
751 within ten days of receipt of any such certificate or notice, forward a  
752 copy thereof to the treasurer, and the assessment of the property for  
753 which such certificate or notice was issued and the rate bill related  
754 thereto shall be corrected accordingly. If the district constructs any  
755 drain, sewer, sidewalk, curb or gutter, such proportion of the cost  
756 thereof as such district determines may be assessed by the board of  
757 directors, in the manner prescribed by such district, upon the property  
758 specially benefited by such drain, sewer, sidewalk, curb or gutter, and  
759 the balance of such costs shall be paid from the general funds of the  
760 district. In the construction of any flood or erosion control system, the  
761 cost to such district may be assessed and shall be payable in  
762 accordance with sections 25-87 to 25-93, inclusive. Subject to the  
763 provisions of the general statutes, the district may issue bonds and the  
764 board of directors may pledge the credit of the district for any money  
765 borrowed for the construction of any public works or the acquisition of  
766 recreational facilities authorized by sections 7-324 to 7-329, inclusive,  
767 and such board shall keep a record of all notes, bonds and certificates



768 of indebtedness issued, disposed of or pledged by the district. All  
769 moneys received by the directors on behalf of the district shall be paid  
770 to the treasurer. No contract or obligation which involves an  
771 expenditure in the amount of (1) ten thousand dollars or more in  
772 districts where the grand list is less than or equal to twenty million  
773 dollars, or (2) twenty thousand dollars or more in districts where the  
774 grand list is greater than twenty million dollars, in any one year shall  
775 be made by the board of directors, unless the same is specially  
776 authorized by a vote of the district, nor shall the directors borrow  
777 money without like authority. The clerk of the district shall give  
778 written notice to the treasurer of the town in which the district is  
779 located of any final decision of the board of directors to borrow money,  
780 not later than thirty days after the date of such decision. The district  
781 may adopt ordinances, with penalties to secure their enforcement, for  
782 the purpose of regulating the carrying out of the provisions of sections  
783 7-324 to 7-329, inclusive, and defining the duties and compensation of  
784 its officers and the manner in which their duties shall be carried out.

785 (b) Upon the request of the clerk of any district, the registrar of  
786 voters and the assessor of the town in which the district is located shall  
787 provide a list of voters of the district.

788 Sec. 8. Section 12-19b of the general statutes is repealed and the  
789 following is substituted in lieu thereof (*Effective July 1, 2005*):

790 Not later than April first in any assessment year, any town or  
791 borough to which a grant is payable under the provisions of section 12-  
792 19a shall provide the Secretary of the Office of Policy and Management  
793 with the assessed valuation of the real property eligible therefor as of  
794 the first day of October immediately preceding, adjusted in accordance  
795 with any gradual increase in or deferment of assessed values of real  
796 property implemented in accordance with section 12-62c, as amended  
797 by this act, [or subsection (e) of section 12-62a,] which is required for  
798 computation of such grant. Any town which neglects to transmit to the  
799 secretary the assessed valuation as required by this section shall forfeit

800 two hundred fifty dollars to the state, provided the secretary may  
801 waive such forfeiture in accordance with procedures and standards  
802 adopted by regulation in accordance with chapter 54. Said secretary  
803 may on or before the first day of August of the state fiscal year in  
804 which such grant is payable, reevaluate any such property when, in  
805 the secretary's judgment, the valuation is inaccurate and shall notify  
806 such town of such reevaluation by certified or registered mail. Any  
807 town or borough aggrieved by the action of the secretary under the  
808 provisions of this section may, not later than ten business days  
809 following receipt of such notice, appeal to the secretary for a hearing  
810 concerning such reevaluation. Such appeal shall be in writing and shall  
811 include a statement as to the reasons for such appeal. The secretary  
812 shall, not later than ten business days following receipt of such appeal,  
813 grant or deny such hearing by notification in writing, including in the  
814 event of a denial, a statement as to the reasons for such denial. Such  
815 notification shall be sent by certified or registered mail. If any town or  
816 borough is aggrieved by the action of the secretary following such  
817 hearing or in denying any such hearing, the town or borough may not  
818 later than ten business days after receiving such notice, appeal to the  
819 superior court for the judicial district wherein such town is located.  
820 Any such appeal shall be privileged.

821 Sec. 9. Subsection (a) of section 12-20b of the general statutes is  
822 repealed and the following is substituted in lieu thereof (*Effective July*  
823 *1, 2005*):

824 (a) Not later than April first in each year, any municipality to which  
825 a grant is payable under the provisions of section 12-20a shall provide  
826 the Secretary of the Office of Policy and Management with the assessed  
827 valuation of the tax-exempt real property as of the immediately  
828 preceding October first, adjusted in accordance with any gradual  
829 increase in or deferment of assessed values of real property  
830 implemented in accordance with section 12-62c, as amended by this  
831 act, [or subsection (e) of section 12-62a,] which is required for  
832 computation of such grant. Any municipality which neglects to

833 transmit to the Secretary of the Office of Policy and Management the  
834 assessed valuation as required by this section shall forfeit two hundred  
835 fifty dollars to the state, provided the secretary may waive such  
836 forfeiture in accordance with procedures and standards adopted by  
837 regulation in accordance with chapter 54. Said secretary may, on or  
838 before the first day of August of the state fiscal year in which such  
839 grant is payable, reevaluate any such property when, in his judgment,  
840 the valuation is inaccurate and shall notify such municipality of such  
841 reevaluation. Any municipality aggrieved by the action of said  
842 secretary under the provisions of this section may, not later than ten  
843 business days following receipt of such notice, appeal to the secretary  
844 for a hearing concerning such reevaluation, provided such appeal shall  
845 be in writing and shall include a statement as to the reasons for such  
846 appeal. The secretary shall, not later than ten business days following  
847 receipt of such appeal, grant or deny such hearing by notification in  
848 writing, including in the event of a denial, a statement as to the reasons  
849 for such denial. If any municipality is aggrieved by the action of the  
850 secretary following such hearing or in denying any such hearing, the  
851 municipality may within two weeks of such notice, appeal to the  
852 superior court for the judicial district in which the municipality is  
853 located. Any such appeal shall be privileged. Said secretary shall  
854 certify to the Comptroller the amount due each municipality under the  
855 provisions of section 12-20a, or under any recomputation occurring  
856 prior to September first which may be effected as the result of the  
857 provisions of this section, and the Comptroller shall draw his order on  
858 the Treasurer on or before the fifteenth day of September following  
859 and the Treasurer shall pay the amount thereof to such municipality  
860 on or before the thirtieth day of September following. If any  
861 recomputation is effected as the result of the provisions of this section  
862 on or after the January first following the date on which the  
863 municipality has provided the assessed valuation in question, any  
864 adjustments to the amount due to any municipality for the period for  
865 which such adjustments were made shall be made in the next payment  
866 the Treasurer shall make to such municipality pursuant to this section.

867 Sec. 10. Subsection (a) of section 12-53 of the general statutes is  
868 repealed and the following is substituted in lieu thereof (*Effective July*  
869 *1, 2005*):

870 (a) For purposes of this section: (1) "Omitted property" means  
871 property for which complete information is not included in the  
872 declaration required to be filed by law with respect to either the total  
873 number and type of all items subject to taxation or the true original  
874 cost and year acquired of all such items, (2) "books", "papers",  
875 "documents" and "other records" includes, but is not limited to, federal  
876 tax forms relating to the acquisition and cost of fixed assets, general  
877 ledgers, balance sheets, disbursement ledgers, fixed asset and  
878 depreciation schedules, financial statements, invoices, operating  
879 expense reports, capital and operating leases, conditional sales  
880 agreements and building or leasehold ledgers, and (3) "designee of an  
881 assessor" means a Connecticut municipal assessor certified in  
882 accordance with subsection (b) of section 12-40a, a certified public  
883 accountant, a revaluation company certified in accordance with section  
884 12-2c for the valuation of personal property, or an individual certified  
885 as a revaluation [company employee] appraiser in accordance with  
886 section 12-2b, as amended by this act, for the valuation of personal  
887 property.

888 Sec. 11. Subsection (g) of section 12-62d of the general statutes is  
889 repealed and the following is substituted in lieu thereof (*Effective July*  
890 *1, 2005*):

891 (g) (1) Any municipality electing to provide residential property tax  
892 relief in accordance with this section shall conduct a management  
893 study of its municipal government within one year following  
894 implementation of such program. Such study shall include, but not be  
895 limited to, a program review of expenditure, organization,  
896 management of finances and assessment practices. The study shall  
897 include input from the local business community and residential  
898 property taxpayers.

899 (2) The study results shall be reported to the legislative body of the  
900 municipality for consideration. The legislative body shall hold at least  
901 two public hearings and shall consider the recommendations of the  
902 study and public input thereon. Following such public hearings, the  
903 legislative body shall develop a plan of implementation and shall file  
904 such plan with the Secretary of the Office of Policy and Management  
905 and with the General Assembly.

906 (3) Any municipality which fails to comply with the provisions of  
907 this subsection shall be subject to the penalty provisions of subsection  
908 [(e)] (g) of section 12-62, as amended by this act.

909 Sec. 12. Section 12-62h of the general statutes is repealed and the  
910 following is substituted in lieu thereof (*Effective July 1, 2005*):

911 (a) The assessor of each municipality having stayed the further  
912 implementation of phase-in with respect to a revaluation implemented  
913 on October 1, 1993, shall, on the grand list for the assessment year  
914 commencing October 1, 1996, recommence such phase-in by reflecting  
915 assessments that include the incremental value that would, except for  
916 such stay, have been added in the assessment year commencing  
917 October 1, 1994, and for each assessment year thereafter, until the term  
918 of the phase-in as adopted by the municipality is completed, such  
919 assessors shall reflect assessments which include the addition of the  
920 applicable phase-in increment. Any municipality which has elected to  
921 defer all or part of the increase in the assessed value of real property  
922 pursuant to section [12-62a or] 12-62c, as amended by this act, shall, as  
923 of October 1, 1996, reflect ownership and valuation changes for each  
924 assessment year during such stay.

925 (b) Notwithstanding the provisions of any special act or this section,  
926 any municipality which elected to defer further implementation of a  
927 phase-in adopted pursuant to section 12-62c, as amended by this act,  
928 [or pursuant to subsection (e) of section 12-62a,] may continue to defer  
929 the further implementation of such phase-in for the assessment years  
930 commencing October 1, 1995, and October 1, 1996, provided

931 ownership and appropriate valuation changes with respect to such  
932 assessment years shall be reflected. The grand list of any such  
933 municipality for the assessment year commencing October 1, 1997,  
934 shall include assessments that reflect seventy per cent of the fair  
935 market value of real property as determined in accordance with said  
936 revaluation.

937       Sec. 13. Section 12-129p of the general statutes is repealed and the  
938 following is substituted in lieu thereof (*Effective July 1, 2005*):

939       (a) Notwithstanding the provisions of sections 12-129b to 12-129d,  
940 inclusive, if the amount of tax benefit calculated in accordance with  
941 said sections and provided thereunder for any homeowner qualified  
942 for the program of tax relief under said sections is equivalent to two  
943 thousand dollars or more in the assessment year commencing October  
944 1, 1985, such benefit shall not, in any subsequent assessment year  
945 exceed the amount of such benefit to which such homeowner was  
946 entitled for said assessment year commencing October 1, 1985, and  
947 additionally, if the amount of such tax benefit for any homeowner so  
948 qualified is less than two thousand dollars in the assessment year  
949 commencing October 1, 1985, the amount of such homeowner's benefit  
950 shall not, in any subsequent assessment year, exceed two thousand  
951 dollars.

952       (b) In any municipality which, as of July 6, 1987, has deferred any  
953 part of the amount of increased assessed value of real property  
954 pursuant to subsection (e) of section 12-62a, revision of 1958, revised to  
955 January 1, 2005, the maximum benefit to which any homeowner shall  
956 be entitled pursuant to subsection (a) of this section shall be the  
957 amount to which such homeowner is entitled pursuant to sections  
958 12-129b to 12-129d, inclusive, in the first assessment year in which no  
959 deferral of assessed value occurs, and no maximum benefit shall be  
960 imposed in any year prior to such first assessment year in which no  
961 deferral occurs.

962       Sec. 14. Section 35-51 of the general statutes is repealed and the

963 following is substituted in lieu thereof (*Effective July 1, 2005*):

964 As used in this chapter, unless the context requires otherwise:

965 (a) "Improper means" includes theft, bribery, misrepresentation,  
966 breach or inducement of a breach of duty to maintain secrecy, or  
967 espionage through electronic or other means, including searching  
968 through trash.

969 (b) "Misappropriation" means: (1) Acquisition of a trade secret of  
970 another by a person who knows or has reason to know that the trade  
971 secret was acquired by improper means; or (2) disclosure or use of a  
972 trade secret of another without express or implied consent by a person  
973 who (A) used improper means to acquire knowledge of the trade  
974 secret; or (B) at the time of disclosure or use, knew or had reason to  
975 know that his knowledge of the trade secret was (i) derived from or  
976 through a person who had utilized improper means to acquire it; (ii)  
977 acquired under circumstances giving rise to a duty to maintain its  
978 secrecy or limit its use, including but not limited to disclosures made  
979 under section 1-210, sections 31-40j to 31-40p, inclusive, or subsection  
980 [(c)] (e) of section 12-62, as amended by of this act; or (iii) derived from  
981 or through a person who owed a duty to the person seeking relief to  
982 maintain its secrecy or limit its use; or (C) before a material change of  
983 his position, knew or had reason to know that it was a trade secret and  
984 that knowledge of it had been acquired by accident or mistake.

985 (c) "Person" means a natural person, corporation, limited liability  
986 company, business trust, estate, trust, partnership, association, joint  
987 venture, government, governmental subdivision or agency, or any  
988 other legal or commercial entity.

989 (d) Notwithstanding the provisions of sections 1-210, 31-40j to 31-  
990 40p, inclusive, and subsection [(c)] (e) of section 12-62, as amended by  
991 this act, "trade secret" means information, including a formula, pattern,  
992 compilation, program, device, method, technique, process, drawing,  
993 cost data or customer list that: (1) Derives independent economic

994 value, actual or potential, from not being generally known to, and not  
 995 being readily ascertainable by proper means by, other persons who can  
 996 obtain economic value from its disclosure or use, and (2) is the subject  
 997 of efforts that are reasonable under the circumstances to maintain its  
 998 secrecy.

999 Sec. 15. Subsection (b) of section 35-57 of the general statutes is  
 1000 repealed and the following is substituted in lieu thereof (*Effective July*  
 1001 *1, 2005*):

1002 (b) This chapter does not affect: (1) Contractual or other civil  
 1003 liability or relief that is not based upon misappropriation of a trade  
 1004 secret; (2) criminal liability for misappropriation of a trade secret; or (3)  
 1005 the duty of any person or state or municipal agency to disclose  
 1006 information pursuant to section 1-210, sections 31-40j to 31-40p,  
 1007 inclusive, or subsection [(c)] (e) of section 12-62, as amended by this  
 1008 act, or wherever expressly provided by law.

1009 Sec. 16. Subsections (e) and (f) of section 12-62a of the general  
 1010 statutes, and sections 12-62i and 12-62k of the general statutes are  
 1011 repealed. (*Effective from passage*)

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2005</i>	12-2b
Sec. 2	<i>July 1, 2005</i>	12-55
Sec. 3	<i>from passage, and applicable to assessment years commencing on or after October 1, 2003</i>	12-62
Sec. 4	<i>July 1, 2005, and applicable to assessment years commencing on or after October 1, 2005</i>	12-62c
Sec. 5	<i>July 1, 2005</i>	12-63b



Sec. 6	<i>from passage and applicable to assessment years commencing on and after October 1, 2005</i>	12-117(b)
Sec. 7	<i>July 1, 2005</i>	7-328
Sec. 8	<i>July 1, 2005</i>	12-19b
Sec. 9	<i>July 1, 2005</i>	12-20b(a)
Sec. 10	<i>July 1, 2005</i>	12-53(a)
Sec. 11	<i>July 1, 2005</i>	12-62d(g)
Sec. 12	<i>July 1, 2005</i>	12-62h
Sec. 13	<i>July 1, 2005</i>	12-129p
Sec. 14	<i>July 1, 2005</i>	35-51
Sec. 15	<i>July 1, 2005</i>	35-57(b)
Sec. 16	<i>from passage</i>	12-62a(e) and (f) repealed

**Statement of Purpose:**

To implement the recommendations of the Office of Policy and Management's December, 2004 *Report on Revaluation Policies and Procedures* and to provide that a notice of valuation increase sent to a taxpayer pursuant to section 12-55 of the general statutes must include any assessment penalty added under section 12-63c of the general statutes in addition to the assessment penalties added pursuant to sections 12-41 and 12-57a of the general statutes.

*[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]*